

Yates Petroleum Corporation
Lechuguilla Canyon Unit #8
2108' FSL & 1905' FWL
Section 10, T24S R24E
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is Seven Rivers lime.
2. The estimate tops of geologic markers are as follows:

Delaware	2422'	Strawn	8796'
Bone Spring Limestone	3320'	Atoka	9216'
3rd Bone Spring Sand	7432'	Morrow Clastics	9928'
Wolfcamp	7712'	Chester	10439'
Lower Canyon	8182'	TD	10600'

3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:

Water: Approximately 150' - 300' 1800' - 2200'

Gas: Strawn - approximately 8800'
 Atoka - approximately 9230'
 Morrow - approximately 10000'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.

- ## 8. Testing, Logging and Coring Program:

DST's: As Warranted
Logging: Intermediate casing - T.D.
Coring: CNL - FDC T.D. to casing with GR-CNL on to surface and
DLL from T.D. to casing with selected min. R_{XO}.

9. No abnormal pressures or temperatures are indicated.
10. Anticipated starting date: As soon as possible after approval.